1994 ANNUAL REPORT

FAIRMONT
RESOURCES INC.

CORPORATE PROFILE

Fairmont Resources Inc. ("Fairmont" or the "Company") is an emerging junior oil and gas company which is actively engaged in the exploration, development and the subsequent production and exploitation of petroleum and natural gas primarily in Western Canada. 1994 saw the Company expand its horizons by seeking petroleum opportunities in Cuba.

Fairmont is trading on the Alberta Stock Exchange under the symbol "FMN."

Head office of the Company is located at Suite 500, 630 4th Avenue S.W., Calgary, Alberta T2P 0J9

CORPORATE HISTORY

The Company's incorporation by certificate of incorporation was issued pursuant to the provisions of the Business Corporations Act of Alberta on February 12, 1987. The Company's shares were listed and have been trading on the Alberta Stock Exchange since September 18, 1987.

On January 1, 1993 Fairmont's only asset was an interest in a commercial real estate property in the United States.

In the past two years, Fairmont has become an emerging junior oil and gas company.

ANNUAL MEETING

The Annual General Meeting for the shareholders of Fairmont Resources Inc. will be held on August 2, 1995 at 2:00 p.m. in the Cardium Room at the Calgary Petroleum Club, 319 - 5th Avenue S.W., Calgary, Alberta.

CORPORATE HIGHLIGHTS

	1994	1993
Financial		
Gross Revenue	$ 1,810,785	$ 838,576
Earnings from operations	436,604	204,680
Cash flow	569,078	242,775
Cash flow per share	0.04	0.02
Net earnings	349,681	149,653
Net earnings per share	0.02	0.01
Working capital (deficiency)	631,176	(518,484)
Bank debt	1,450,000	2,000,000
Capital expenditures		
Canadian	3,618,648	4,735,133
International	607,387	0
Assets	9,845,983	5,139,720
Common shares outstanding	15,134,538	13,523,300
Operating		
December exit production		
Gas (Mcf/d)	5,800	2,200
Oil and liquids (Bbls/d)	138	53
Producing Wells		
Gross	142	114
Net	31.5	24.9
Land Holdings		
Gross acres	1,780,631	59,061
Net acres	1,307,878	9,107

"To increase shareholder value through exploration, development, acquisition and divestment of oil and gas assets; while conducting business in the highest of ethical standards."

PRESIDENT'S MESSAGE

This past year has been an exciting one for Fairmont. During 1994, through a planned and structured exploration program, the company was involved in yet another natural gas discovery in the Namaka area in southeastern Alberta.

This past year also saw the softening of the natural gas prices in western Canada. Fairmont set out to diversify its holdings and seek petroleum opportunities in order to give greater balance between its natural gas and oil production.

In these efforts, the Company had the unique opportunity to enter into a petroleum exploration and development program in Cuba. Management feels strongly that there is tremendous upside potential in this program which will be more fully realized throughout the upcoming year.

These combined opportunities have built a solid base of undeveloped acreage from which the Company can grow and prosper.

The latter half of this year also saw the Company focus its efforts on placing existing natural gas reserves on production. While these efforts have been only partially achieved, they will continue throughout 1995 as more new natural gas discoveries are made.

It will be the Company's intention over the short term to rationalize some of our non-core and non-operated assets and aim our sights towards taking a larger working interest in projects similar to that of Namaka. This will allow the Company to control larger blocks of acreage which offer upside exploration and development potential.

I would like to take this opportunity to thank the management and staff of Fairmont for their continued efforts and dedication to the Company. We have now built a solid foundation from which further growth can be easily achieved.

In addition, the management and staff of Fairmont appreciate the support of all the shareholders through this uneasy period of a volatile oil and gas equity market.

On behalf of the Board of Directors,

Allan J. Kent
President and Chief Executive Officer.
June 23, 1995

LAND HOLDINGS

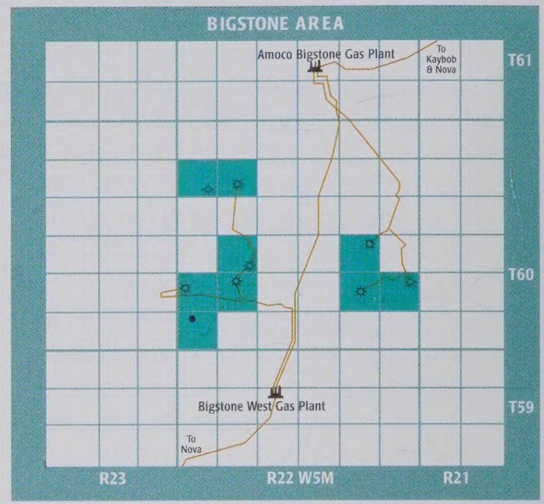
Fairmont continues to increase its net land holdings throughout the year both in Alberta and internationally.

ACREAGE (in acres)	1994		1993	
	Gross	Net	Gross	Net
Alberta				
Undeveloped	13,356	2,659	35,063	4,591
Developed	36,052	6,801	23,998	4,516
	49,408	9,460	59,061	9,107
Cuba				
Undeveloped	1,719,978	1,289,984	—	—
Developed	11,245	8,434	—	—
	1,731,223	1,298,418	—	—
TOTAL	1,780,631	1,307,878	59,061	9,107

1994 OPERATIONS ACTIVITY

WELLS	TOTAL		GAS		OIL		D & A	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alberta								
Drilled								
Exploratory	10	2.4	8	2.0	—	—	2	0.4
Development	14	2.4	10	2.2	4	0.2	—	—
	24	4.8	18	4.2	4	0.2	2	0.4
Re-entered or completed	2	0.3	1	0.2	1	0.1	—	—
Acquired	2	0.4	2	0.4	—	—	—	—
	4	0.7	3	0.6	1	0.1	0	0.0
Cuba								
Re-entered or completed	2	1.5	—	—	2	1.5	—	—
TOTAL	30	7.0	21	4.8	7	1.8	2	0.4

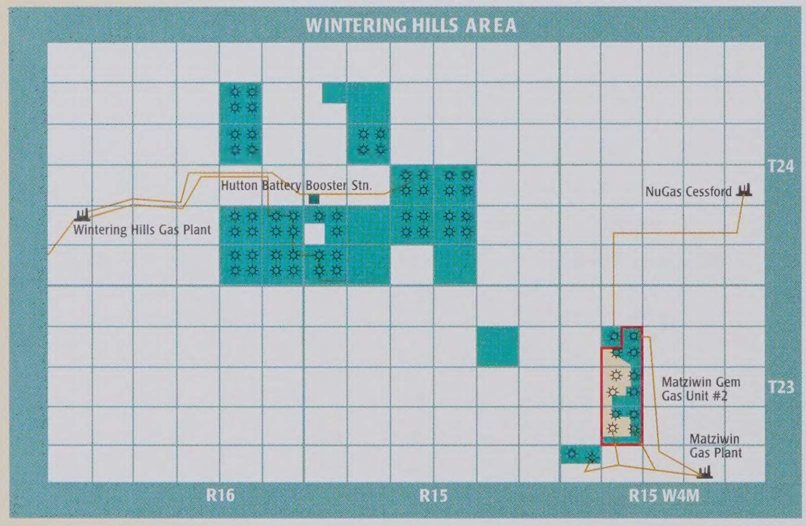
BIGSTONE



The New Bigstone West Gas Plant which has a design capacity of 65 Mmcf/d of natural gas and 2600 Bbls/d of natural gas liquids, commenced production in December 1994. Fairmont has a 7.8% working interest in this facility. Currently 4 of the Company's 8 wells (average working interest 30.0%) in this area are producing through this facility. The average daily rate of production for these 4 wells during the month of December was approximately 3,800 mcf of natural gas and 104 Bbls of natural gas liquids net to Fairmont's working interest.

Three of the other 4 wells are currently on production through a second facility at Bigstone (Amoco Bigstone Gas Plant) at an average daily rate of approximately 600 mcf of natural gas and 19 Bbls of natural gas liquids net to Fairmont's working interest (approximately 13.4%).

The remaining well, drilled in 1994, resulted in a Cardium oil well which is not yet on production.



WINTERING HILLS

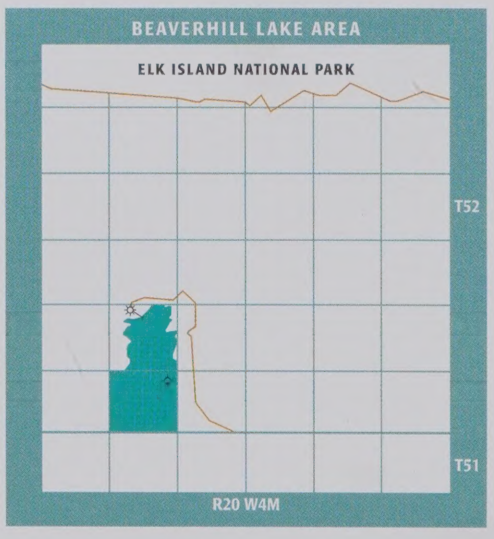
Fairmont participated in 7 successful gas wells, drilling 6 and re-completing one during the year.

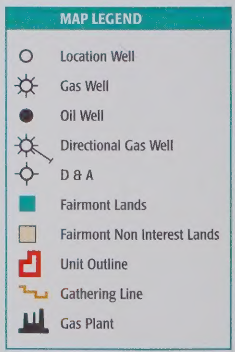
During the first quarter of 1994, the Company upgraded and turbo charged the compressor facilities, increasing the horsepower to improve production. Average production for December 1994 is approximately 1.0 Mmcf per day net to Fairmont's 25% working interest.

It is the Company's intention to participate in the drilling of an additional 21 wells in the summer of 1996.

BEAVERHILL LAKE

During the year, Fairmont participated in the drilling of 2 wells, resulting in one dry hole and one successful Ellerslie gas well, which is currently awaiting tie-in. The Company, with a 17.34% working interest in this well, anticipates future gross natural gas production of approximately 3 Mmcf per day.





NAMAKA

This was the most active area for Fairmont through 1994 and will remain its primary focus throughout the upcoming year.

In the spring of 1994, the Company acquired an interest in some undeveloped acreage in the area as well as 2 Viking gas wells, one producing and one shut-in. Since the initial acquisition, Fairmont has continued to increase its land holdings to the current 14,961 gross acres (3,487 net).

During June of 1994, Fairmont participated in a seismic program to further evaluate the exploration and development potential of this area. This program has provided the Company with some 126 kilometres of seismic for interpretation.

In the summer of 1994, an 11 well drilling program commenced resulting in 10 Belly River gas wells and one dry hole.

Production testing on these wells has recently been completed and they are currently awaiting tie-in. Fairmont will be participating in the construction of a gathering system and compression facility in the summer of 1995, and anticipates these wells to be on stream by fall 1995 with net production to the Company to be in excess of 2.5 Mmcf of natural gas per day. Fairmont's average working interest in these wells is approximately 25.2%

Fairmont intends to remain active in this area throughout 1995. The Company will not only continue with drilling additional wells targeting the Basal Belly River formation, but intends on drilling deeper Paleozoic test wells on seismic delineated locations.

CUBA

During the year, Fairmont had the unique opportunity to enter into 3 separate Production Sharing Agreements ("PSA") with Cubapetroleo ("CUPET"), the Cuban national oil company.

The first PSA (Fairmont's interest in this Agreement is 75%) covers the Cristales Oilfield in Block 21 which encompasses approximately 45 square kilometres of land within the Block. There are currently 263 existing oil wells within the Cristales field which to date have produced in excess of 7 million barrels of oil.

In December of 1994, the Company commenced a workover program on this field and re-entered 2 existing well bores. The program consisted of fracture stimulating 1 well and acidizing the other. At present, these workovers have been completed and the Company is currently swabbing and production testing.

The remaining 2 PSA's (Fairmont's interest in these Agreements is 75%) cover onshore Exploration Blocks 16 and 17 located on the north east shore of Cuba and encompasses approximately 6,900 square kilometres of land. The Company is currently conducting an extensive geological and geophysical interpretation of the area. Fairmont anticipates completing this interpretation as well as formulating a seismic program by the summer of 1995.

OTHER PROPERTIES

Fairmont currently holds petroleum and natural gas producing reserves in the Brooks, Entice, Niton and Red Rock areas of Alberta. Production from these properties has remained steady throughout the year, averaging approximately 500 mcf/d of natural gas and 10 Bbls/d of oil net to the Company's interest. During the year, Fairmont participated in the drilling of 3 gross (0.06 net) wells on these properties resulting in 3 oil wells.

CAPITAL EXPENDITURES

Although overall capital expenditures declined in 1994, a significant increase was seen in placing existing reserves into production.

	1994	1993
Canadian Capital Expeditures		
Land and geological	**$ 569,000**	$ 1,076,000
Drilling	**679,000**	1,775,000
Completion	**926,000**	1,242,000
Gathering and facilities	**1,445,000**	642,000
TOTAL	**$ 3,619,000**	$ 4,735,000

PRODUCTION

Fairmont is pleased to report that it is continuing to increase its daily production in Alberta with existing reserves still awaiting tie-in.

	December 1994 (Mcfe/d)	Average 1994 (Mcfe/d)	December 1993 (Mcfe/d)
Natural gas	**5,800**	**2,300**	2,200
Oil and natural gas liquids	**1,380**	**440**	530
TOTAL	**7,180**	**2,740**	2,730

RESERVES

The Company's Alberta reserves have been evaluated by independent engineering firms, such reserves being calculated on a basis before royalties. Fairmont would like the reader to note that a substantial portion of its Alberta reserves are not yet in production.

	Natural Gas (Mmcf)	Oil and Liquids (Mbbls)
Canadian Reserves		
Proven		
Producing	9,794	151
Non-producing	3,772	—
	13,566	151
Probable	1,841	8
TOTAL	15,407	159

AUDITORS' REPORT

To the Shareholders of
Fairmont Resources Inc.

We have audited the balance sheet of Fairmont Resources Inc. as at December 31, 1994 and the statements of earnings and retained earnings and changes in financial position for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation.

In our opinion, these financial statement present fairly, in all material respects, the financial position of the Company as at December 31, 1994 and 1993 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Calgary, Alberta
April 11, 1995
(except as to note 2
which is June 23, 1995)

Doane Raymond.
Chartered Accountants

STATEMENT OF EARNINGS AND RETAINED EARNINGS

Year Ended December 31	1994	1993
Revenue		
Petroleum and natural gas	$ 1,810,785	$ 838,576
Less royalties	(254,736)	(144,802)
	1,556,049	693,774
Interest	10,153	711
Rental revenue	21,613	24,025
	1,587,815	718,510
Expenses		
Operating	395,884	250,416
Workovers	—	703
Depreciation and depletion	215,319	90,162
General and administrative	333,325	109,782
Interest on long-term debt	205,676	59,561
Real estate expenses	1,007	3,206
	1,151,211	513,830
Earnings from operations	436,604	204,680
Other		
Financing costs	(82,845)	(52,067)
Site restoration costs	(4,078)	(2,960)
	(86,923)	(55,027)
Net earnings before income taxes	349,681	149,653
Income taxes (Note 6)	—	—
Net earnings	$ 349,681	$ 149,653
Retained earnings (deficit), beginning of year	$ 33,108	$(1,016,545)
Write-down of stated capital	—	900,000
Net earnings	349,681	149,653
Retained earnings, end of year	$ 382,789	$ 33,108
Earnings per share	$ 0.02420	$ 0.01225

BALANCE SHEET

December 31	1994	1993
Assets		
Current		
Cash	$ 60,469	$ 117,629
Accounts receivable	751,592	315,462
Advances to operators	416,398	119,764
Property held for resale (Note 2)	5,118,664	—
	6,347,123	552,855
Property and equipment (Note 3)	3,498,860	4,586,865
	$ 9,845,983	$ 5,139,720
Liabilities		
Current		
Accounts payable	$ 1,380,570	$ 521,339
Due to related companies (Note 8)	3,210,074	—
Current portion of long-term debt	1,125,303	550,000
	5,715,947	1,071,339
Long-term debt (Note 4)	420,000	1,545,303
Provision for site restoration costs	7,038	2,960
	6,142,985	2,619,602
Shareholders' Equity		
Capital stock (Note 5)	3,320,209	2,487,010
Retained earnings	382,789	33,108
	3,702,998	2,520,118
	$ 9,845,983	$ 5,139,720

On behalf of the Board

G.H. Dallin Director

Director

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year Ended December 31	1994	1993
Cash derived from (applied to)		
Operating		
Net earnings	$ 349,681	$ 149,653
Depreciation and depletion	215,319	90,162
Site restoration costs	4,078	2,960
	569,078	242,775
Change in non-cash operating working capital (Note 7)	(1,206,820)	80,227
	(637,742)	323,002
Financing		
Proceeds from long-term debt	—	2,000,000
Repayments of long-term debt	(1,030,000)	—
Mortgage payable	(95,303)	—
Issuance of common shares for cash, net of issuance costs	833,199	1,636,900
Issuance of common shares for acquisitions of petroleum and natural gas properties and equipment	—	530,172
	(292,104)	4,167,072
Investment		
Acquisition of Canadian petroleum and natural gas properties and equipment for cash	(3,618,648)	(4,204,961)
Acquisition of petroleum and natural gas properties and equipment by issuance of common shares	—	(530,172)
Sale of Canadian petroleum and natural gas properties and equipment	—	307,624
Acquisition of International petroleum and natural gas properties and equipment for cash	(607,387)	—
Acquisition of furniture and equipment	(19,943)	(10,248)
Property held for resale	5,118,664	—
	872,686	(4,437,757)
Net increase (decrease) in cash	(57,160)	52,317
Cash,		
Beginning of year	117,629	65,312
End of year	$ 60,469	$ 117,629

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1994

1. Summary of significant accounting policies

Petroleum and natural gas properties and equipment

The Company follows the full cost method of accounting for petroleum and natural gas properties and equipment as prescribed in the Guideline of Full Cost Accounting in the Oil and Gas Industry, which was issued by the Canadian Institute of Chartered Accountants.

All costs of exploring for and developing oil and gas reserves are capitalized, including land acquisition costs, geological and geophysical costs, carrying charges on non-producing properties, costs of drilling both productive and non-productive wells, production equipment costs, related overhead costs, and capitalized interest related to unproven properties and major development projects. Such costs, net of proceeds from minor disposal of property, are accumulated, and depleted and depreciated on a country-by-country basis using the unit-of-production method based on estimated gross proved reserves of oil and natural gas. Oil and natural gas production and reserves are converted into equivalent units based upon estimated relative energy content.

Costs of acquiring and evaluating unproved properties and major development projects are excluded from depletion and depreciation calculations until it is determined whether or not proved reserves are attributable to the properties, the major development projects are completed, or impairment occurs.

The capitalized costs less accumulated depletion, depreciation and deferred taxes in each cost centre are limited to an amount equal to the estimated net revenue from proved reserves (based on prices and costs at the balance sheet date) less estimated future general and administrative expenses, financing costs and taxes.

Gains or losses are recognized upon the sale or disposition of properties if either proved reserves of those properties are significant in relation to the Company's total reserves or the sale or disposition is that of a major development project.

Certain of the exploration and production activities of the Company are conducted jointly with others and these financial statements reflect only the Company's proportionate interest in such activities.

A provision for site restoration costs (net of expected recoveries) is made if the costs can be reasonably determined. This provision, which is based on current estimates, standards and technology, is accrued over the useful life of the resource properties using the unit-of-production method.

Depreciation

Depreciation is provided using the declining balance method of accounting at the following annual rates:

Building	5%
Office furniture and fixtures	20%

Earnings per share

The Company has utilized the weighted average number of outstanding shares to calculate earnings per share.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1994

2. Property held for resale

			1994	1993
	Cost	Accumulated Depreciation and Depletion	Net Book Value	Net Book Value
Canadian				
Petroleum and natural gas properties & equipment	$4,388,215	$ 102,009	**$4,286,206**	$ —
International				
Commercial real estate properties	239,770	14,699	**225,071**	—
Petroleum and natural gas properties & equipment	607,387	—	**607,387**	—
	847,157	14,699	**832,458**	—
	$5,235,372	$ 116,708	**$5,118,664**	$ —

Pursuant to a formal disposal plan adopted by the Company for 1995, certain Canadian and International petroleum and natural gas properties and equipment as well as the commercial real estate property, have been reclassified as current assets.

On June 21, 1995, the Company accepted an offer to sell certain Canadian petroleum and natural gas properties and equipment with an anticipated closing date of July 25, 1995. As at December 31, 1994, no gain has been reflected with respect to this transaction.

3. Property and equipment

			1994	1993
	Cost	Accumulated Depreciation and Depletion	Net Book Value	Net Book Value
Canadian				
Petroleum & natural gas properties & equipment	$3,657,942	$ 182,895	**$3,475,047**	$4,344,800
Office furniture & fixtures	30,191	6,378	**23,813**	10,077
	3,688,133	189,273	**3,498,860**	4,354,877
International				
Commercial real estate property	—	—	—	231,988
	$3,688,133	$ 189,273	**$3,498,860**	$4,586,865

During the year the Company capitalized overhead expenditures relating to exploration and development activities in the amount of $201,101 (1993 - $53,007).

NOTES TO THE FINANCIAL STATEMENTS
December 31, 1994

4. Long-term debt

	1994	1993
Production loan, bearing interest at prime plus 1.5%, is secured by various petroleum and natural gas leases. Monthly principal payments of $50,000 to June 1995, a lump sum payment of $650,000 due July 25, 1995, and monthly principal payments of $20,000 thereafter commencing September 1, 1995.	$ 1,450,000	$ 2,000,000
Mortgage payable, 16% due June 17, 1996 payable in monthly interest instalments only of $1,000 U.S., secured by the commercial real estate property	95,303	95,303
	1,545,303	2,095,303
Less current portion	(1,125,303)	(550,000)
	$ 420,000	$ 1,545,303

The principal payments due on the production loan over the next two years are as follows:

1996	240,000
1997	180,000
	$ 420,000

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1994

5. Capital stock

The Company was incorporated on February 12, 1987 under the Business Corporations Act (Alberta) with the following capital:

	1994	1993
Authorized		
Unlimited number of common shares		
Issued		
15,134,538 (1993 - 13,523,300) common shares	$ 3,344,921	$ 3,408,922
Less issuance costs	(24,712)	(21,912)
Write-down of stated capital	—	(900,000)
	$ 3,320,209	$ 2,487,010

a) During the year

i) The Company issued 300,000 shares for cash by way of a private placement at $1.03 per share, for a total consideration of $309,000, with warrants to purchase 300,000 shares at $1.25 per share expiring June 14, 1995.

ii) The Company issued 130,000 shares by way of a private placement at $.95 per share, to directors, senior officers and key personnel for past services rendered.

iii) The Company issued 400,000 shares for a total cash consideration of $341,000 upon the exercise of warrants outstanding from the previous year.

iv) The Company issued 781,238 shares for a total cash consideration of $62,499 upon the exercise of options outstanding from the previous year.

b) At December 31, 1994 there are unexercised warrants to purchase a total of 1,300,000 common shares at varying prices for a total cash consideration of $1,375,000. These warrants expire on various dates from June 15, 1995 to December 31, 1996.

c) At December 31, 1994 there are outstanding stock options for directors, senior officers and key personnel of 463,762 shares at varying prices expiring on various dates from January 7, 1996 to January 15, 1998.

The effect of issuance of the outstanding stock options and warrants are all anti-dilutive.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1994

6. Income taxes

		1994	1993
Expected income tax expense of 44%		$ 153,860	$ 65,847
Add:	depreciation and depletion	94,740	39,671
Less:	resource allowance	(83,079)	(39,650)
	COGPE	(45,103)	(33,438)
	CDE	(307,867)	(300,326)
	CCA	(225,122)	(128,861)
	benefit of loss carry forward	617,069	361,109
	property costs expensed for tax purposes	(254,299)	—
	other	49,801	35,648
Income tax expense		$ —	$ —

The Company has $2,190,952 of available loss carry forwards for income tax purposes which may be used to reduce future taxable income. The losses expire as follows:

1995	$ 43,516
1996	3,630
1997	8,963
1998	52,602
2000	679,812
2001	1,402,429
	$ 2,190,952

The Company has available the following costs which may be deducted in the prescribed manner against future taxable income at the annual rates indicated:

	$	Rate
Canadian oil and gas property expense	922,554	10%
Canadian exploration expense	894,756	100%
Canadian development expense	1,633,299	30%
Undepreciated capital costs		
Class 3	131,883	5%
Class 8	15,779	20%
Class 41	1,374,541	25%
Class 10	8,881	30%
Class 43	1,039,188	30%

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1994

7. Change in non-cash working capital

	1994	1993
Accounts receivable	$ (436,130)	$ (312,807)
Advances to operators	(296,634)	(119,764)
Properties held for resale	(5,118,664)	—
Accounts payable	859,231	517,544
Due to related companies	3,210,074	(4,746)
Current portion of long-term debt	575,303	—
	$(1,206,820)	$ 80,227

8. Related party transactions

a) The Company contracts services from Prospect Oil & Gas Management Ltd., a company related by common management for general and administrative, land, development and exploration services for a monthly fee of $20,000.

b) In October of 1994, the Company entered into two separate debt financing arrangements with private companies controlled by senior officers and directors of the Company. These agreements both relate to the lending to the Company of monies which are secured by primary oil & gas assets of the Company.

i) The first agreement was dated October 17, 1994 for $1.8 Million with an interest rate of 12% per annum calculated daily and payable monthly effective November 25, 1994. The principal amount of the loan together with any accrued but unpaid interest shall be repaid in full on April 25, 1995. The loan provided for the issuance of 600,000 warrants to the lender to purchase 600,000 common shares of the Company at $1.00 per share until December 31, 1996.

ii) The second agreement was dated October 17, 1994 for $1.4 Million with an interest rate equal to the Canadian Western Bank's prime lending rate plus 2% per annum floating, calculated daily and payable monthly effective November 25, 1994. The principal amount of the loan together with any accrued but unpaid interest shall be repaid in full on April 25, 1995. The loan provided for the issuance of 400,000 warrants to the lender to purchase 400,000 common shares of the Company at $1.00 per share until December 31, 1996.

The proceeds from the sale of certain Canadian petroleum and natural gas properties and equipment as outlined in note 2 will be used to satisfy the above obligations.

DIRECTORS

Allan J. Kent
President and C.E.O.
Fairmont Resources Inc.

Jeffrey J. Chad
Executive Vice President
Fairmont Resources Inc.

T. Hugh Dobbin
Vice President - Land
Fairmont Resources Inc.

Phillip A. Peterson
Chairman of the Board
Highwood Distillers
President, MJ Software

Robert A. Kolstad
Independent Businessman

Lawrence C. Morrisroe
Independent Businessman

OFFICERS AND KEY PERSONNEL

Allan J. Kent, B.Math
President, Chief Executive Officer

Jeffrey J. Chad, L.L.B., P.Eng
Executive Vice President

T. Hugh Dobbin, B.Econ.
Vice President - Land

William G. Blake, P.Eng
Geological Engineer

Brad N. Hollingsworth, C.G.A.
Manager of Corporate Affairs

Janice K. Berube, B.Sc.
Controller

Dwayne Burnell, B.B.A.
Manager of Gas Marketing

Carla D. Driedger
Corporate Secretary

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Auditors
Doane Raymond
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Calgary, Alberta T2P 2V6

Exchange Listings
The Alberta Stock Exchange
Stock Symbol: FMN

Executive Offices
Suite 500, 630 - 4th Avenue S.W.
Calgary, Alberta T2P 0J9

Phone: (403) 777-9200
Fax: (403) 777-9199

Abbreviations

Bbls	-barrels
Bbls/d	-barrels per day
BOPD	-barrels of oil per day
BOE	-barrels of oil equivalent (1 Bbl = 6 mcf)
BOEPD	-barrels of oil equivalent per day
mbbls	-thousands of barrels
mbbls/d	-thousands of barrels per day
mcf	-thousand cubic feet
mcf/d	-thousand cubic feet per day
mcfe/d	-thousand cubic feet equivalent per day
D & A	-Drilled and Abandoned
mmcf	-million cubic feet
mmcf/d	-million cubic feet per day
mBOE	-thousand barrels of oil equivalent
API	-American Petroleum Institute
ARTC	-Alberta Royalty Tax Credit

Metric Conversion Table

To convert from	To:	Multiply by:
Thousand cubic feet (mcf) gas	Thousand cubic meters (E3m3)	0.028174
Barrels (Bbls) oil	Cubic meters (m3)	0.158910
Miles	Kilometers (km)	1.609000
Acres	Hectares (ha)	0.405000

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